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IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

PUREWICK CORPORATION,)
)
) Plaintiff,)
) C.A. No. 19-1508 (MN)
v.)
)
SAGE PRODUCTS, LLC,)
)
) Defendant.)

Tuesday, August 4, 2020
10:00 a.m.
Discovery Dispute Teleconference

844 King Street
Wilmington, Delaware

BEFORE: THE HONORABLE MARYELLEN NOREIKA
United States District Court Judge

APPEARANCES:

SHAW KELLER LLP
BY: JOHN SHAW, ESQ.

-and-

QUINN EMANUEL URQUHART & SULLIVAN
BY: BRIAN P. BIDDINGER, ESQ.
BY: STEVEN CHERNY, ESQ.
BY: AMANDA ANTONS, ESQ.

Counsel for the Plaintiff

1 APPEARANCES CONTINUED:

2
3 YOUNG CONAWAY STARGATT & TAYLOR LLP
4 BY: ANNE SHEA GAZA, ESQ.

5 -and-

6 MCANDREWS HELD & MALLOY
7 BY: ROBERT SURRETTE, ESQ.
8 BY: SANDRA FRANTZEN, ESQ.
9 BY: BRICE PERSICHETTI, ESQ.

10 Counsel for the Defendant
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09:49:07 11
09:58:03 12 THE COURT: Good morning, counsel. Who is
09:58:05 13 there, please?

09:59:35 14 MR. SHAW: Good morning, Your Honor. It's John
09:59:37 15 Shaw for PureWick. Joining me from Quinn Emanuel are Steve
09:59:42 16 Cherny, Brian Biddinger and Amanda Antons.

09:59:47 17 THE COURT: Good morning to all of you.

09:59:48 18 And for Sage?

09:59:52 19 MS. GAZA: Good morning, Your Honor. It's Anne
09:59:54 20 Gaza from Young, Conaway on behalf of Sage. I'm joined this
09:59:57 21 morning by Robert Surette, Sandra Frantzen, and Brice
10:00:00 22 Persichetti of McAndrews, Held & Malloy. And Mr. Surette
10:00:02 23 will present on behalf of Sage.

10:00:04 24 THE COURT: Okay. Good morning to you as well.

10:00:05 25 So I have reviewed all of the letters as well as

10:00:12 1 the supplemental letters on the meet and confer and I think
10:00:15 2 it makes sense at this point just to deal with the substance
10:00:18 3 of the disputes. So I will hear from the Plaintiffs first
10:00:27 4 on the disputes that were outlined in Mr. Shaw's letter from
10:00:35 5 July 30th and let's go through one by one, we'll get
10:00:41 6 Plaintiff's position and then Defendant's position so I can
10:00:43 7 address each request in turn.

10:00:46 8 So first, interrogatory number 6.

10:00:52 9 MR. BIDDINGER: Your Honor, that's Defendant's
10:00:58 10 interrogatory.

10:00:58 11 THE COURT: I'm sorry, I was looking at
10:01:01 12 Plaintiff's responsive letter. Sorry. Okay. Thank you for
10:01:05 13 that. Let's start with PureWick interrogatory number 1.

10:01:10 14 MR. BIDDINGER: Good morning, Your Honor. This
10:01:11 15 is Brian Biddinger from Quinn Emanuel for the Plaintiff. So
10:01:15 16 I think briefly on this, not that there is a whole lot to
10:01:20 17 add beyond what's in the letter, but the issue is whether
10:01:23 18 Sage will provide the requested information which is related
10:01:28 19 to financials so, you know, sales data basically, for sales
10:01:32 20 that were made prior to the filing of the lawsuit.

10:01:35 21 We understand Sage's position to be that they
10:01:40 22 will not provide that information unless and until they're
10:01:43 23 satisfied that we have provided prima facie evidence that
10:01:48 24 PureWick has complied with the marking statute. We have
10:01:52 25 provided interrogatory in response that identifies a lot has

10:02:02 1 happened with the mark and the dates on which the marking
10:02:04 2 began. We are producing documents that we believe
10:02:08 3 ultimately will support the information we provided in the
10:02:11 4 interrogatories, and so at this point we really don't see a
10:02:16 5 basis for them to be withholding discovery of the sales data
10:02:20 6 and sales information given the current record and frankly
10:02:24 7 even if we hadn't provided the information about the
10:02:29 8 markings, we don't see the authority or have the authority
10:02:34 9 for them withholding that information.

10:02:37 10 And the last thing I would note is that in
10:02:40 11 putting marking aside, information about the dates on which
10:02:44 12 they're sold, the accused products is relevant to other
10:02:50 13 issues including the date of first infringement, commercial
10:02:54 14 success, it's also evidence of indirect infringement and
10:03:00 15 will allow us to identify customers that we may need to take
10:03:04 16 follow-up discovery on to show direct infringement. So
10:03:08 17 putting all that aside, again, our position is we told them
10:03:12 18 when we started marking to identify the products that had
10:03:16 19 been marked and at this point we believe they should provide
10:03:20 20 a full response to the interrogatory.

10:03:22 21 THE COURT: Okay. How far back are we talking
10:03:26 22 about? I know you don't know exactly when they started
10:03:30 23 selling or maybe you do, but how far -- what's the time
10:03:34 24 period that we're talking about?

10:03:38 25 MR. BIDDINGER: Relatively short, Your Honor.

10:03:41 1 The complaint was filed a year ago now, so 2019. Our
10:03:45 2 understanding is their sales began in either towards the end
10:03:48 3 of 2017 or sometime in 2018.

10:03:51 4 THE COURT: Okay. Thanks.

10:03:52 5 So Sage, what's your position on this? Is it
10:03:55 6 really that you are not going to produce documents until
10:03:59 7 you're satisfied with the marking.

10:04:00 8 MR. SURRETTE: Well, first of all, Your Honor,
10:04:02 9 we have produced --

10:04:03 10 THE COURT: Stop. Wait, wait, wait. Sorry. I
10:04:06 11 forgot to give my warning at the beginning. When you start
10:04:10 12 talking, you have to say who you are so that we get a clear
10:04:13 13 record. So start with that and then you can go on.

10:04:17 14 MR. SURRETTE: I am sorry, Your Honor. Robert
10:04:20 15 Surrette on behalf of Sage.

10:04:22 16 First of all, we have produced documents,
10:04:24 17 financial documents related to when we first started --

10:04:27 18 THE COURT: No, no, I get that. But have you
10:04:29 19 produced the financial documents back to when you first --
10:04:32 20 they're requesting and that you have produced for things
10:04:34 21 after the filing of the lawsuit prior to -- have you
10:04:41 22 produced what they're asking for for the time between when
10:04:43 23 you first started selling and the lawsuit was filed?

10:04:51 24 MR. SURRETTE: We have produced financial
10:04:53 25 information from the time we started selling the product

10:04:55 1 which was before the complaint was filed.

10:04:57 2 THE COURT: So what's the fight about here
10:05:00 3 today?

10:05:06 4 MR. SURRETTE: Well, the fight is about this
10:05:09 5 information, they're asking for it on a monthly basis,
10:05:09 6 they're asking for it on a customer basis, despite the fact
10:05:13 7 that we have produced financial documents going back to 2017
10:05:16 8 so they can't establish when the date of alleged first
10:05:20 9 infringement began. We don't believe they have established
10:05:25 10 constructive notice under 287. And under *Power Integrations*
10:05:29 11 where this Court denied a motion to compel on the same type
10:05:32 12 of information for failure to establish marking under
10:05:35 13 constructive notice under 287, we don't believe that it's
10:05:40 14 relevant at this point.

10:05:41 15 THE COURT: But what do they have to do? They
10:05:44 16 say we have shown you that we were marking and you say well,
10:05:48 17 that's not enough. At what point -- I mean, I am not going
10:05:52 18 to make that determination now, so what is it that you
10:05:55 19 expect to happen here?

10:06:00 20 MR. SURRETTE: Well, what I would think they
10:06:02 21 could provide and all they have provided to us is a
10:06:04 22 statement that they started marking and a picture of a
10:06:07 23 product, one picture of a product that has a patent on it
10:06:12 24 without any date, without any time when it started, and I'm
10:06:17 25 not sure we're required to just accept on face value that

10:06:21 1 that's when they started marking. And frankly, Your Honor,
10:06:28 2 that's what the whole point of the meet and confer process
10:06:33 3 is about is to try to crystalize the issues. And we were
10:06:38 4 still talking about this issue in our last meet and confer.
10:06:41 5 And I know the Court has just decided to address the issues
10:06:43 6 here, but it's very clear that they didn't follow the meet
10:06:46 7 and confer process here.

10:06:47 8 THE COURT: I'm done. Listen, I read your
10:06:50 9 letters on all that stuff. I asked you what happened, and I
10:06:53 10 got enough and I don't want to hear anymore of the bickering
10:06:58 11 back and forth about that. Okay? I can't -- I got to just
10:07:03 12 move on. So I guess my question then for the Plaintiff is
10:07:07 13 why do you need on a monthly basis by customer this
10:07:11 14 information on each of these things? This seems a little
10:07:16 15 bit much. Monthly by customer, why do you need that?

10:07:22 16 MR. BIDDINGER: Sure, Your Honor, Brian
10:07:26 17 Biddinger for the Plaintiff. I think there are a couple of
10:07:29 18 reasons. Number one, and first of all, they agreed to
10:07:32 19 provide that, they just wouldn't do it prior to the filing
10:07:35 20 of the complaint. But the identification of sales of
10:07:40 21 particular customers is important here because we have
10:07:42 22 direct infringement claims and we need to show that
10:07:44 23 particular customers, particularly for our method claims
10:07:48 24 actually practiced and directly infringe those claims. So
10:07:52 25 identifying which customers have been sold to so that we can

1 identify the direct infringers and potentially take
2 follow-up discovery of those direct infringers is important.

3 It's also important because we have a lost
4 profits claim in this case, so determining which customers
5 have been sold to by the Defendants in order to prove that
6 we have lost sales to those particular customers is also
7 important.

8 And sorry, one other thing, I know that this
9 isn't specifically to your question, Your Honor, but counsel
10 for Defendants mentioned the *Power Integrations* case, and
11 there is an important distinction in that in that case the
12 Plaintiff admitted in their interrogatory responses that
13 they had not marked their product. That's not the case
14 here, we have marked our product, it's just a case of
15 whether or not we have sufficiently proved to the Defendants
16 whether or not we have complied with that marking
17 requirement for the relevant time period.

18 THE COURT: Okay.

19 MR. SURRETTE: Your Honor, this is Robert
20 Surrette on behalf of Sage. In fact, the facts are
21 identical. Here PureWick has admitted that they haven't
22 marked two products. There is three products that they have
23 identified and two of them they admit they have not marked.

24 THE COURT: Why does it matter that they have
25 not marked one? Isn't one enough to get the information

10:09:23 1 that they need?

10:09:25 2 MR. SURRETTE: Well, we're not sure they have
10:09:28 3 established that they have actually marked it, and that's
10:09:30 4 really the heart of the dispute here.

10:09:31 5 THE COURT: Okay. So I'm going to grant this
10:09:33 6 request because I don't think Defendants, we're not going to
10:09:37 7 get into a substantive decision on whether the marking has
10:09:42 8 been established before they can ask for discovery. So I'm
10:09:46 9 going to grant the motion for interrogatory number 1. We'll
10:09:51 10 talk about the timing of these responses at the end, but
10:09:54 11 let's go to the next one. Interrogatory number 5. Is it
10:09:59 12 Mr. Biddinger again?

10:10:05 13 MR. SHAW: Your Honor, I have this one.

10:10:05 14 THE COURT: I'm sorry, who was that?

10:10:07 15 MR. SHAW: It's John Shaw, Your Honor. I have
10:10:10 16 interrogatory number 5.

10:10:11 17 THE COURT: Mr. Shaw.

10:10:12 18 MR. SHAW: So this one is pretty
10:10:14 19 straightforward. It's a single interrogatory asking for
10:10:16 20 Sage's factual legal basis for affirmative defenses. There
10:10:22 21 are two objections. One is that there are multiple
10:10:22 22 subparts, the other is the timing of objections. The first
10:10:23 23 as a matter of practice in the district and according to the
10:10:32 24 case law this has not been counted as multiple
10:10:35 25 interrogatories. In part I'm sure that's because the number

10:10:38 1 of affirmative defenses varies by case and second it helps
10:10:42 2 on case management not to have to anticipate early on
10:10:46 3 exactly how many interrogatories are needed for affirmative
10:10:50 4 defenses.

10:10:51 5 But to the extent, Your Honor, these are
10:10:55 6 multiple subparts, we ask to have the interrogatory limit
10:10:59 7 expanded by ten because there are eleven from the Defendant
10:11:02 8 in this case.

10:11:03 9 THE COURT: And let me just ask, Mr. Shaw, if I
10:11:06 10 were to do that, would you be okay with me doing that
10:11:10 11 reciprocally so that everybody gets another ten?

10:11:14 12 MR. SHAW: I'm not sure that would be the case,
10:11:18 13 Your Honor. The reason to do that here is to get at the
10:11:22 14 multiple issues that are typically treated as one. You can
10:11:26 15 make the argument that other issues such as responses on
10:11:30 16 validity for anticipation, obviousness, other flavors should
10:11:34 17 also be counted as individual interrogatories, and if that
10:11:38 18 were true, I would think the additional ten would make
10:11:42 19 sense, but here we would commit the additional ten would
10:11:46 20 only be used for interrogatories that are dedicated to ask
10:11:50 21 the basis of each affirmative defense. So we wouldn't be
10:11:54 22 expanding it beyond just trying to get the information.

10:11:58 23 THE COURT: Okay.

10:11:59 24 MR. BIDDINGER: On the timing question, all a
10:12:03 25 party can ever do is ask its opponent to get all the

information presently in its custody and control. That's what we have done here. Their view is they seem to think we can wait to some future part of the case to respond. We know they have some information about the interrogatories and about the affirmative defenses because they put them in their answer. So at this point what we're asking is that the objection on prematurity be overruled and that they respond to the information that is presently in their possession, custody and control.

THE COURT: Mr. Surrette, are you dealing with this one?

MR. SURRETTE: Yes, I am, Your Honor. We think this interrogatory is clearly overbroad. We have identified eleven affirmative defenses, many which have sub-defenses, in essence they're asking for eleven separate interrogatories. Much of the information sought by interrogatory 5 is covered by other interrogatories, so --

THE COURT: But don't you think they get -- don't you think that it makes sense that they get to ask an interrogatory for the -- your contentions on any affirmative defenses you assert, and I don't know how -- I mean, what are they supposed to do if you assert a hundred affirmative defenses, they're not allowed to ask? That's where I'm falling down on this one.

MR. SURRETTE: Well, they have asked in other

10:13:22 1 interrogatories about our affirmative defenses. This is an
10:13:25 2 omnibus interrogatory.

10:13:32 3 THE COURT: All right. Mr. Shaw, so tell me
10:13:35 4 what information that this one asks that you're not getting
10:13:39 5 from the other ones. I didn't go back and look at all the
10:13:43 6 interrogatories to make a determination.

10:13:46 7 MR. SHAW: We requested just six I believe, and
10:13:50 8 I'm looking through them now. I don't believe there are any
10:13:53 9 directed to affirmative defenses. There are ones directed
10:13:56 10 to explain why you don't infringe, explain why infringement
10:14:00 11 is not willful, identify noninfringing alternatives, so I'm
10:14:04 12 not sure that I agree that the interrogatories that have
10:14:08 13 been asked are duplicated if there already has been one
10:14:12 14 asked for each affirmative defense.

10:14:15 15 MR. SURRETTE: Judge -- I'm sorry, Mr. Shaw.

10:14:20 16 THE COURT: Go ahead.

10:14:24 17 MR. SHAW: If certainly that is the case, we
10:14:28 18 will be happy to reduce that number, we will talk to them
10:14:32 19 and if they say hey, that one is the same as the affirmative
10:14:36 20 defense, we don't need that extra interrogatory.

10:14:40 21 MR. SURRETTE: Your Honor, this is Mr. Surrette.
10:14:44 22 Noninfringement, invalidity, those are all affirmative
10:14:48 23 defenses and they're all separate interrogatories directed
10:14:52 24 towards those affirmative defenses.

10:14:56 25 THE COURT: So for this one, I agree that if

there is overlap that the Defendants don't have to say the same thing again, though I'm not sure why it's so difficult to just refer to another interrogatory on noninfringement or willfulness, but in any event, you guys can talk and come to an agreement on which ones are repetitive, but for the other ones, I think that Defendants should respond with the information that they have now and then they have a duty to supplement as discovery goes forward. So for interrogatory number 5, I'm going to grant the request to the extent that the affirmative defenses requested the information is requested about that are not already requested in other interrogatories should be answered.

Okay. What about interrogatory number 6?

MR. BIDDINGER: Your Honor, Brian Biddinger again. I'll address interrogatory number 6. So interrogatory number 6 is related to information concerning alleged noninfringing alternative. Defendants have not contended that the discovery is irrelevant, they have agreed generally that what's sought by the interrogatory should be provided and the issue really is a matter of timing. Their current response states that discovery is ongoing and that they would supplement as necessary after further discovery including an explanation by Plaintiffs on how the accused product infringes and a determination by the Court on claim construction issues.

10:16:39 1 So our understanding is that it's not a matter
10:16:44 2 of them not having any information right now, it's a matter
10:16:47 3 of them not being willing to provide the information that
10:16:51 4 they have until a somewhat later point in the case. So
10:16:55 5 similar to interrogatory number 5, we believe that they
10:16:59 6 should provide the information that they have now and they
10:17:04 7 can supplement if they discover additional information
10:17:07 8 later. But identifying any noninfringing alternatives on
10:17:11 9 which they may rely is important for us to obtain so that we
10:17:17 10 can take discovery about those alleged noninfringing
10:17:21 11 alternatives including whether they are reasonable
10:17:25 12 alternatives or feasible alternatives.

10:17:29 13 THE COURT: Mr. Surrette, is it you again?

10:17:34 14 MS. FRANTZEN: Your Honor, this is actually
10:17:38 15 Sandra Frantzen for Sage. I will handle this interrogatory.

10:17:39 16 THE COURT: Okay.

10:17:41 17 MS. FRANTZEN: So we agree that information on
10:17:43 18 noninfringing alternatives is relevant. And it's usually
10:17:47 19 the subject of testimony later in discovery because the
10:17:51 20 parties really at this point have no way of determining what
10:17:54 21 constitutes a noninfringing alternative until the claims are
10:17:58 22 construed. So generally speaking the noninfringing
10:18:02 23 alternatives will say, for example, a noninfringing
10:18:06 24 alternative might be something that doesn't have a
10:18:10 25 reservoir, a noninfringing alternative might be something

10:18:14 1 that doesn't have this element of a container. The claim
10:18:16 2 construction is highly relevant especially when often times
10:18:20 3 noninfringing alternatives are hypothetical while based on
10:18:23 4 the market. So coming up with every hypothetical element
10:18:27 5 that could be a noninfringing alternative is just kind of a
10:18:32 6 premature exercise at this point.

10:18:35 7 And a secondary point is that, you know, this
10:18:41 8 kind of interrogatory which is interrogatory number 6 that
10:18:45 9 we served, we served a request and asked them to identify
10:18:50 10 all of their versions of the PureWick device, and we
10:18:55 11 submitted an appendix in our brief an example of thirteen
10:18:58 12 that were just publicly shown on the internet. They only
10:19:02 13 identified three and they don't know whether ten of them are
10:19:05 14 covered. Ten of them are not covered, so ten of those are
10:19:11 15 noninfringing alternatives so we don't have that information
10:19:15 16 from them.

10:19:18 17 So I guess the point of noninfringing
10:19:21 18 alternatives is that it's always the case at this point to
10:19:24 19 start coming up with real noninfringing alternatives and
10:19:28 20 even hypothetical noninfringing alternatives until more has
10:19:32 21 happened especially considering that they don't even know
10:19:35 22 what their products are that are covered by their
10:19:38 23 patents-in-suit.

10:19:42 24 THE COURT: Mr. Biddinger.

10:19:45 25 MR. BIDDINGER: Yes, Your Honor. I mean, I

10:19:47 1 think -- I don't really understand the notion that we need
10:19:49 2 to wait until after claim construction for them to formulate
10:19:53 3 positions about what they believe are noninfringing or not.
10:19:57 4 Whether the alternatives are truly noninfringing or not may
10:20:01 5 change I guess based on claim construction, but they
10:20:05 6 obviously have positions on what they believe is
10:20:07 7 noninfringing. And, you know, we have a relatively short
10:20:11 8 time period for conducting discovery post claim
10:20:16 9 construction, postponing understanding what they allege to
10:20:20 10 be a noninfringing alternative until then puts us in a
10:20:24 11 pretty difficult position in terms of taking discovery on
10:20:26 12 the feasibility of the alternative, whether or not it was
10:20:30 13 available at the time of the hypothetical negotiation,
10:20:32 14 whether customers would accept it as a noninfringing
10:20:35 15 alternative, what the costs are associated with the
10:20:40 16 noninfringing alternative --

10:20:42 17 THE COURT: Right. So is it your position, I
10:20:44 18 just want to understand with respect to earlier prototypes
10:20:49 19 or earlier versions of the products here where you haven't
10:20:52 20 formulated a position on whether it is or is not covered by
10:21:00 21 the claims, what are they supposed to do with those? You
10:21:02 22 want them to just make their own determination as to whether
10:21:10 23 it is or is not covered and is a noninfringing alternative,
10:21:12 24 is that what you expect?

10:21:20 25 MR. BIDDINGER: Yes, I think on this issue, if

10:21:22 1 they believe that there is some earlier prototype version or
10:21:27 2 a third-party product or anything else that they believe is
10:21:33 3 an available noninfringing alternative, that would have been
10:21:38 4 acceptable to customers, then I think that is a position for
10:21:41 5 them to take. If they don't believe that, then they don't
10:21:45 6 need to identify it. If they haven't formed an opinion on
10:21:49 7 that, I don't think we can ask them to identify it at this
10:21:51 8 stage. But to the extent that they have formed any opinion
10:21:55 9 about any noninfringing alternatives, that's what we're
10:22:00 10 asking them to provide on this date instead of at some
10:22:04 11 unspecified date in the future.

10:22:05 12 THE COURT: Ms. Frantzen, anything you want to
10:22:07 13 add?

10:22:10 14 MS. FRANTZEN: You know, Your Honor, I would say
10:22:11 15 this proves a point that it's premature, and this is why we
10:22:15 16 need the discovery on our interrogatory number 5. We can't
10:22:19 17 formulate views on noninfringing alternatives when they
10:22:23 18 haven't even provided us with the information and are
10:22:27 19 relying on pictures on the internet. Issue number one.

10:22:31 20 Issue number two with regard to tying up claim
10:22:32 21 construction, there is two months of time and this happens
10:22:36 22 in every case. Noninfringing alternatives are usually
10:22:40 23 addressed after claim construction, at least on the cases I
10:22:42 24 have been involved in and they're usually addressed by the
10:22:45 25 experts who can explain them. It's just conducting a

10:22:50 1 hypothetical exercise right now with no information and no
10:22:53 2 discovery, you know, is just I guess inappropriate at this
10:23:01 3 point.

10:23:01 4 THE COURT: Okay. So what I am going to do is
10:23:05 5 to say -- well, the point of interrogatories is to find out
10:23:13 6 broadly what is at issue in the case. And in this District,
10:23:16 7 we encourage early contention interrogatories. And I don't
10:23:21 8 think it makes sense to wait until after claim construction.
10:23:24 9 And I certainly don't think it is appropriate to say that
10:23:28 10 you're not going -- anyone is not going to identify or
10:23:31 11 address noninfringing alternatives until expert discovery
10:23:35 12 because I think everybody needs to have some opportunity to
10:23:38 13 explore those issues. So what I'm going to say is that if
10:23:41 14 Defendants have in mind things that are noninfringing
10:23:44 15 alternatives, they should identify them. If they don't have
10:23:48 16 any in mind currently, that's fine, you can say that, and
10:23:51 17 then supplement later if it turns out that you have
10:24:04 18 something in mind. But just so everyone is clear, I don't
10:24:07 19 agree that we can identify noninfringing alternatives for
10:24:10 20 the first time in expert discovery.

10:24:13 21 Okay. Now, we have a bunch of document requests
10:24:16 22 that are sort of thrown in here at the end of the letter.
10:24:19 23 What do we really need to discuss with respect to those?

10:24:22 24 MR. SHAW: Your Honor, this is John Shaw. I
10:24:25 25 have this grouping.

10:24:38 1 THE COURT: Okay.

10:24:39 2 MR. SHAW: These requests are grouped together
10:24:40 3 because Sage has the same response to all of them which is
10:24:44 4 we will only produce documents according to our affirmative
10:24:47 5 defenses and counterclaims. The requests themselves are
10:24:52 6 ranging in a variety of ways are designed to capture factual
10:24:58 7 information that goes beyond just their affirmative defenses
10:25:02 8 and what their positions are and the objections that they're
10:25:05 9 making doesn't make sense in the context of these. For
10:25:08 10 example, take the first two, they are focused on invalidity
10:25:11 11 issues, can be internal analyses on validity or invalidity
10:25:17 12 and aren't limited just to what their affirmative defenses
10:25:21 13 -- documents supporting their affirmative defenses.

10:25:23 14 33 and 41 deal with commercial success. There
10:25:28 15 can be many documents on commercial success including
10:25:31 16 failure by Sage if it existed to come up with a similar
10:25:35 17 product. Any skepticism internal to Sage that would be
10:25:41 18 captured by 33 which you typically see from the business
10:25:45 19 side or an analysis of strengths, weaknesses, threats,
10:25:50 20 opportunities. It could be responsive to that and to 41.
10:25:52 21 The same is true, we can go through any of those, it can be
10:25:59 22 internal discussions by Defendant about noninfringement
10:26:02 23 which is 39 and so forth.

10:26:04 24 So really the issue here is to try and get -- to
10:26:12 25 not sustain this objection that they're making that they

10:26:15 1 only have to give us things that are responsive -- that are
10:26:18 2 supporting their affirmative defenses.

10:26:21 3 THE COURT: All right. Who is handling this one
10:26:23 4 for Sage?

10:26:26 5 MR. SURRETTE: This is Robert Surrette, Your
10:26:28 6 Honor. First of all, we told PureWick that we're not
10:26:32 7 withholding any documents responsive to these requests based
10:26:36 8 on a fact that a document would achieve our contentions and
10:26:40 9 positions. In fact, in response to other requests we have
10:26:44 10 agreed to produce relevant documents related to the
10:26:48 11 development, structure, design, operation of the product,
10:26:52 12 the marketing of the product, all of those are not limited
10:26:56 13 to only things that would support our contentions, but just
10:27:00 14 related to the development. We've also agreed to produce
10:27:04 15 documents relating to the patents-in-suit and we haven't
10:27:08 16 limited those to only documents supporting our contention.

10:27:12 17 Frankly our issue with it is we're not sure what
10:27:16 18 we would search for to refute our contentions. What do I go
10:27:20 19 to my client and ask them to search for? We're not
10:27:24 20 withholding something on the basis that it's a negative or
10:27:28 21 does not support our contentions. But I don't know what I
10:27:32 22 tell my clients to search for. That's frankly the issue we
10:27:36 23 have with the request.

10:27:40 24 THE COURT: So I guess, Mr. Shaw, what is it
10:27:44 25 that you think is missing given the representation that we

10:27:45 1 just heard from Sage's counsel that they're not going and
10:27:51 2 hiding anything, they told you that they would produce
10:27:55 3 things even if they -- that they found even if they refuted
10:28:00 4 their contentions. What am I supposed to do with this?

10:28:03 5 MR. SHAW: For example, Your Honor, we can pick
10:28:06 6 any one, but we start with 32, starts any investigation
10:28:10 7 about invalidity, validity, infringement --

10:28:13 8 THE COURT: You think this is going to be -- I
10:28:18 9 mean, not privileged, but okay.

10:28:22 10 MR. SHAW: It might, Your Honor. After
10:28:25 11 litigating this issue for a long time in front of Judge
10:28:29 12 Stark, yes, there be can be some that are nonprivileged.
10:28:33 13 Here I would go to the client and ask have you had
10:28:36 14 investigations on any of these issues and if you have, let's
10:28:39 15 see the documents. Take 41, have you done any analysis,
10:28:44 16 done any commentary, have you looked at commercial success
10:28:47 17 of Purewick's products and if you have, they should be
10:28:51 18 produced.

10:28:54 19 On any of the commercial success factors, the
10:28:58 20 same thing, go in and ask the client, what have your
10:28:59 21 marketing folks done, the salespeople done or the scientists
10:29:02 22 done in terms of looking at the commercial success of
10:29:05 23 Purewick's products. What have your folks done in terms of
10:29:08 24 failing to make the products? How long did it take? So
10:29:12 25 each of these categories have specific questions that can be

10:29:14 1 asked of clients and we want to make sure are asked instead
10:29:18 2 of just broad questions going in and saying give us things
10:29:21 3 about noninfringement.

10:29:26 4 MR. SURRETTE: Your Honor, this is Mr. Surrette.
10:29:29 5 If we can take the first one we talked about which is
10:29:31 6 request number 32. If you look at our response it
10:29:34 7 highlights, you know, the point I was trying to make. We
10:29:38 8 say that we will produce documents that mention the patents
10:29:44 9 located after a reasonable search. That's not limited to
10:29:48 10 things that support or refute our contentions. We're going
10:29:52 11 to produce documents that relate to the patents-in-suit.
10:29:56 12 And as I said earlier, with respect to previous requests,
10:30:00 13 we've agreed to produce development documents and those
10:30:04 14 development documents will encompass not only -- well, could
10:30:10 15 encompass -- if they exist, could encompass things that
10:30:14 16 didn't work out for us and things that did work out for us
10:30:18 17 and we've agreed to produce those. So I'm really not sure
10:30:22 18 what the dispute is about.

10:30:26 19 THE COURT: All right. So this one, I agree
10:30:30 20 with Mr. Surrette that you guys need to go back and discuss
10:30:34 21 this a little bit more. It seems like there is not really a
10:30:38 22 dispute here that Defendants aren't withholding anything.
10:30:42 23 If Plaintiffs want to go back and talk and say look, we just
10:30:46 24 want to make sure that you have asked folks for this kind of
10:30:50 25 stuff, you can do that and go back and if there is

10:30:51 1 additional questions that you think that Defendants need to
10:30:54 2 ask, you can go back and ask them to do that. And I expect
10:30:58 3 Defendants would be reasonable in doing that. But I'm not
10:31:01 4 going to order them to do anything right now because it
10:31:04 5 sounds like what they have done is at least in how it's been
10:31:09 6 described is reasonable.

10:31:11 7 Okay. Let's go to Defendant's issues. Now we
10:31:20 8 have interrogatory number 6.

10:31:23 9 MR. SURRETTE: Yes. Your Honor, this is Robert
10:31:26 10 Surrette again on behalf of Sage. So interrogatory 6 seeks
10:31:29 11 information related to versions or iterations of the
10:31:32 12 PureWick external female catheter. And if you look at
10:31:35 13 Purewick's response, they ignore the first part of the
10:31:38 14 interrogatory. The interrogatory had two parts to it. The
10:31:41 15 first it ask to identify each version or iteration of the
10:31:44 16 female external catheter ever made, sold, offered for sale,
10:31:47 17 and then it ask for any other product that might be covered,
10:32:00 18 so there is two parts to the interrogatory. Now --

10:32:03 19 THE COURT: I have to say that I don't read that
10:32:06 20 from what you have excerpted in the letter. Hold on. Let
10:32:09 21 me just go back and look at this interrogatory.

10:32:22 22 So what I recall when I read this was that maybe
10:32:25 23 you asked if they had questions here in the interrogatory
10:32:28 24 because it does seem to me to be asking for every version of
10:32:31 25 the product which is covered. That is where I -- I don't

10:32:45 1 see it as two different interrogatories, or two different
10:32:49 2 subparts. Tell me how that works.

10:32:51 3 MR. SURRETTE: All right. So first of all, if
10:32:53 4 you actually look at interrogatory 6 --

10:32:57 5 THE COURT: I have it in front of me.

10:32:59 6 MR. SURRETTE: All right. Each version or
10:33:01 7 iteration of the PureWick external female catheter product,
10:33:06 8 if you look at the definition which is on page 3, it defines
10:33:13 9 it as each model or iteration of any female external
10:33:17 10 catheter product or system ever made, offered for sale, or
10:33:21 11 sold by Plaintiff, and then it ask for, and any other
10:33:24 12 product and any other products which is covered by the
10:33:31 13 claims and then it later ask, if applicable, how each
10:33:34 14 product or system meets the limitations of the claim. So
10:33:39 15 from our perspective it's clearly asking for two things,
10:33:43 16 it's asking for each version of the catheter that was ever
10:33:47 17 made, used, offered for sale, and two, any other product
10:33:51 18 that's covered by the patent, and if it is covered, how it's
10:33:57 19 covered.

10:34:00 20 THE COURT: Okay. Who is handling this one for
10:34:02 21 the Plaintiff?

10:34:04 22 MR. BIDDINGER: Your Honor, this is Brian
10:34:06 23 Biddinger again for the Plaintiff. So our reading of it is
10:34:09 24 consistent with I think what Your Honor's reading of it was,
10:34:12 25 and that's how we've responded to it. We have identified

10:34:17 1 the products that we presently are aware of that are covered
10:34:23 2 by the claims, we have provided claim charts for those, and
10:34:28 3 that's what we thought was responsive to the interrogatory.

10:34:32 4 And, you know, above and beyond that we're
10:34:37 5 producing documents, the prototypes that were in Sage's
10:34:42 6 letter to the Court, that's the first time that's ever been
10:34:45 7 raised with us.

10:34:46 8 THE COURT: Let me ask you this. I think you
10:34:48 9 said in your responsive letter that you're agreeable to
10:34:53 10 giving them documents on all of the earlier products,
10:34:57 11 prototypes, let's say that Mr. Surrette has convinced me
10:35:02 12 that this interrogatory arguably ask for two things, every
10:35:07 13 iteration of the PureWick products, and any other products
10:35:13 14 that are covered that you guys claim are covered. So can
10:35:18 15 you just -- what's the harm in producing that or responding
10:35:22 16 in that way? You don't have to say if you think those other
10:35:27 17 products are covered if you don't have an opinion, you just
10:35:29 18 have to identify them. What's the issue with that given
10:35:32 19 that you said you would give them the documents?

10:35:36 20 MR. BIDDINGER: Sure, Your Honor. Yeah, we
10:35:39 21 certainly are briefing and will produce documents relating
10:35:42 22 to anything concerning the prior versions, et cetera. I
10:35:44 23 think the issue with identifying them is that, you know, our
10:35:51 24 understanding is that the founders of this company and the
10:35:54 25 inventors and the couple, married couple actually who made

these first products did this in their kitchen, their first actual even commercial products were made in their kitchen. And, you know, there are potentially dozens of different individual prototypes that they made over the course of several years. And identifying -- we certainly can produce any documents that exist about those, but trying to track down each of those prototypes when the product was made, used, it's extremely burdensome for us. I don't know that we can do that any more or less than they can based on the documents as we produced them.

MR. SURRETTE: Judge, this is Robert Surrette if I may.

THE COURT: Sure.

MR. SURRETTE: Let me try and explain why this is so vitally important. So Purewick's own discovery responses, they can evidence that the version of the female external catheter was publicly disclosed at least as early as 2014 which is well before the priority date of the '989 and the '376 Patents. In response to interrogatory number 9 which is directed towards secondary considerations or objective indicia of nonobviousness and in order for a product to demonstrate that it has to fall within the scope of the claims, they have identified that their product won an award in 2014. If that is true and that product is within the scope of the claim, then that's an invalidating

1 disclosure. And PureWick, not Sage, is in total control of
2 all of that information. And if that product wasn't covered
3 by the claims of the patent, then it does not serve as
4 nonobjective or objective indicia of nonobviousness and then
5 would likely be a noninfringing alternative which we talked
6 about a little bit ago.

7 So either way they're the ones that are in
8 control of the information. This is key prior art. Not
9 only do we need to know an identification of the products
10 but when they were sold, used, made or disclosed. And the
11 relevant discovery responses highlight the issue.

12 And if I could just add if you look at appendix
13 A, there are thirteen products there. The fifth one in, the
14 -- excuse me the sixth one in is labeled 2013-2014. And it
15 would seem to me that this is the type of thing that you do
16 before you file a lawsuit to determine if there are any
17 prior sales of the product, any prior disclosures of the
18 product.

19 THE COURT: All right. Okay. I get it.

20 Mr. Biddinger, what is your response to that? I
21 mean, it does seem to me that a lot of this information is
22 within your client's control and, you know, just getting
23 over documents and telling Defendants figure it out for
24 yourself when you have made some assertions in
25 interrogatories about things like secondary considerations,

10:39:34 1 why shouldn't you just have to identify the products and say
10:39:37 2 whether they were offered for sale ever and if so, when?
10:39:43 3 How can that be so burdensome? We're talking about, you
10:39:48 4 just said, two people in a kitchen.

10:39:50 5 MR. BIDDINGER: Yes. Your Honor, we certainly
10:39:52 6 are willing to supplement this interrogatory as we discover
10:39:56 7 additional facts, if we discover additional facts. What
10:40:00 8 we've given them right now is what we know about products
10:40:03 9 that were sold that are covered by any claim in the asserted
10:40:09 10 patent. I don't believe that there was any other product
10:40:11 11 that was ever sold --

10:40:13 12 THE COURT: All right. So this is what I'm
10:40:14 13 going to do. I'm going to order you to respond to the
10:40:18 14 interrogatory. Further, to the extent that there were other
10:40:21 15 products that were manufactured and then if they weren't
10:40:31 16 sold, you can say that they weren't sold, but I think that
10:40:35 17 the interrogatory needs to be read a little bit more broadly
10:40:40 18 than just products that you contend are covered by claims of
10:40:41 19 the asserted patents. So I think that you need to identify
10:40:51 20 the patented products that were made, used, or sold, if they
10:40:52 21 were sold or demonstrated publicly, then identify the date
10:41:00 22 on that. Now, I understand that this is an ongoing process
10:41:02 23 and that that interrogatory may need to be supplemented, but
10:41:12 24 I think you have to give a little bit more information over
10:41:16 25 now.

10:41:17 1 Okay. What's the next interrogatory we need to
10:41:20 2 deal with, or the next discovery dispute?

10:41:24 3 MR. SURRETTE: Well, Judge, it's a series of
10:41:27 4 document requests relating to prior art. And I think to
10:41:30 5 kind of short-circuit things here and try and reach some
10:41:37 6 resolution, the night before we filed our letter, PureWick
10:41:42 7 basically said that they were going to conduct a reasonable
10:41:44 8 search of sources that are likely to contain responsive and
10:41:48 9 relevant information. And we understand that to encompass
10:41:52 10 the request that we're seeking here. It may make some sense
10:41:54 11 for us to have a further discussion on it before we try and
10:42:04 12 resolve this with the Court. The key issue that we had was
10:42:07 13 they told us that they were only going to provide cited
10:42:12 14 prior art to us, and I'm sure the Court is aware that
10:42:17 15 sometimes the most relevant art is art that wasn't cited to
10:42:21 16 the Patent Office. And it now appears that they are
10:42:24 17 searching for that information. So I'm not sure if there is
10:42:28 18 a dispute on this anymore, but it may behoove us to have a
10:42:31 19 conversation before we burden the Court with more argument
10:42:37 20 related to it. I'm always happy to have the parties discuss
10:42:42 21 things further. And the response that PureWick gave about
10:42:46 22 conducting a reasonable search does seem to be an
10:42:49 23 appropriate response and so I'll give you guys more time to
10:42:53 24 go back and talk and determine whether or not there actually
10:42:56 25 is a dispute.

10:42:59 1 MR. SURRETTE: I guess the only thing I might
10:43:01 2 add, Your Honor -- I'm sorry, I didn't mean to interrupt
10:43:04 3 you -- is that we need this information timely. We have got
10:43:08 4 invalidity contentions coming up later in the month. We had
10:43:14 5 to prepare our first set of invalidity contentions, so there
10:43:21 6 is a timing issue that is part of this, obviously that is
10:43:25 7 part of this that is very important to us.

10:43:29 8 THE COURT: Well, there is a bunch of discovery
10:43:31 9 that I have required the parties to go back and supplement,
10:43:35 10 so it seems to me that you all can go back and talk about
10:43:40 11 the timing of when the various supplementations should occur
10:43:51 12 so that folks can do whatever additional disclosures they
10:43:55 13 need to do. I assume, Mr. Surrette, that's something that
10:44:01 14 you think the parties can discuss?

10:44:04 15 MR. SURRETTE: Yes, Your Honor, absolutely.

10:44:09 16 THE COURT: So I ask that you all do that. I
10:44:12 17 think that's the end of the issues in the letters. Is there
10:44:14 18 anything else that we need to discuss?

10:44:20 19 From the Plaintiff?

10:44:22 20 MR. SHAW: Your Honor, it's John Shaw. I
10:44:24 21 believe the answer is no.

10:44:25 22 THE COURT: Okay. Thank you.

10:44:26 23 And Mr. Surrette, anything from the Defendants?

10:44:27 24 MR. SURRETTE: Nothing further, Your Honor.
10:44:31 25 Thank you for your time today.

10:44:33 1 THE COURT: Thank you everyone. Have a good
10:44:35 2 rest of the week.

3 (Teleconference concluded at 10:44 a.m.)

4

5 I hereby certify the foregoing is a true and
6 accurate transcript from my stenographic notes in the proceeding.

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7

/s/ Dale C. Hawkins
Official Court Reporter
U.S. District Court

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